

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	Chapter 11
	§	
NEIGHBORS LEGACY HOLDINGS,	§	Case No. 18-33836
LLC,	§	
	§	
Debtors.	§	

**INFINITY EMERGENCY
MANAGEMENT GROUP, LLC**

Plaintiff,

V.

**NEIGHBORS HEALTH SYSTEM, INC.,
NEIGHBORS HEALTH, LLC,
NEIGHBORS INVESTMENT GROUP,
LLC**

**NEIGHBORS GP, LLC
SETUL G. PATEL, M.D.,
PAUL ALLEYNE, M.D.,
MICHAEL CHANG, M.D.,
ANDY CHEN, M.D.,
CYRIL GILLMAN, M.D.,
QUANG HENDERSON, M.D.,
DHARMESH PATEL, M.D., AND
HITESH PATEL, M.D.**

Defendant.

MICHAEL CHANG, ANDY CHEN, QUANG HENDERSON, AND HITESH PATEL'S
NOTICE OF REMOVAL

Michael Chang, Andy Chen, Quang Henderson, and Hitesh Patel (the "Doctors"),
defendants in the above-captioned case, hereby file this *Notice of Removal* (the “**Notice**”) pursuant
to 28 U.S.C. § 1452, Federal Rule of Bankruptcy Procedure 9027 and Bankruptcy Local Rule 9027-

1.

1. The lawsuit being removed is Cause No. 2017-73050 pending in the 269th Judicial District Court for Harris County, Texas (the “**State Court**”) and styled *Infinity Emergency Management Group, LLC v. Neighbors Health System, Inc. et al.* (the “**Lawsuit**”). The Lawsuit is being removed to the Bankruptcy Court for the Southern District of Texas, Houston Division, through referral by the United States District Court for the Southern District of Texas, Houston Division pursuant to General Order 2012-6.

2. This Notice of Removal is filed pursuant to 28 U.S.C. §§ 1334, 1441, and 1452, Rule 9027 of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”), and Rules 9027-1, 9027-2 of the Southern District of Texas Bankruptcy Local Rules (the “Local Rules”).

3. On October 30, 2017, Plaintiff Infinity Emergency Management Group, LLC filed a the lawsuit, asserting, among other claims, breach of contract, money had and received, breach of fiduciary duty, and fraud, against Debtors Neighbors Health, LLC and Neighbors GP, LLC and the non-Debtor Doctor Defendants and other non-Debtor Defendants. All Defendants timely answered.

4. On April 26, 2018, Plaintiff filed its First Amended Petition. On June 8, 2018, Plaintiff filed its Second Amended Petition. The Second Amended Petition is the current live pleading.

5. All pleadings, process, orders, and other filings in the State Court Action are filed herewith in accordance with Bankruptcy Rule 9027(a) and Bankruptcy Local Rule 9027-1(b).

Timeliness of Removal

6. On July 12, 2018 (the “Petition Date”), the Debtors filed voluntary petitions for relief in the United States Bankruptcy Court for the Southern District of Texas (the “Court”).

7. The Notice of Removal is timely filed under Bankruptcy Rule 9027(a)(2)(A) because it has been filed within 90 days after the order for relief. No order terminating the stay has been

entered with respect to the State Court Action and no trustee has qualified in these chapter 11 cases so the time limits imposed by Bankruptcy Rule 9027(a)(2)(B) & (C) are not applicable here.

8. No previous removal of this case has been attempted or effected.

Venue

9. Venue of this removal is proper under 28 U.S.C. § 1441(a) because this Court is Bankruptcy Court of the United States District Court for the district and division encompassing the state court where the action is pending.

Jurisdiction

10. The State Court Action involves causes of action asserted by Plaintiff against Debtors Neighbors Health, LLC and Neighbors GP, LLC.

11. The Court has jurisdiction to consider the State Court Action under 28 U.S.C. §1334 as a civil proceeding related to the Debtors' chapter 11 cases. Removal of the State Court Action is thus appropriate under 28 U.S.C. §1452 as a "claim or cause of action in a civil action . . . to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title."

12. This is a non-core proceeding. The Doctors consent to the entry of final orders or judgment by the Court if it is determined that the Court, absent consent of the parties, cannot enter final orders or judgment consistent with Article III of the United States Constitution.

The Parties

15. Plaintiff Infinity Emergency Management Group, LLC is a limited liability company organized and existing under Texas state law with offices in El Paso, Texas. Plaintiff's counsel is:

Simon W. Hendershot, III
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16. Defendants Neighbors Health System, Inc., Neighbors GP LLC, Neighbors Investment Group LLC, and Neighbors Health LLC are each Texas entities with their principle place of business in Harris County. Defendants Neighbors Health System, Inc., Neighbors GP LLC, Neighbors Investment Group LLC, Neighbors Health LLC have each been served and made an appearance in this case and their counsel is:

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17. Defendant Neighbors Investment Group LLC is a Texas entity with its principle place of business in Harris County. Defendant Neighbors Investment Group LLC has been served and made an appearance in this case and their counsel is:

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18. Defendants Andy Chen, Hitesh Patel, Michael Chang, and Quang Henderson are each individuals who reside in Harris County. Defendants Andy Chen, Hitesh Patel, Michael

Chang, and Quang Henderson have each been served and made an appearance in this case and their counsel is:

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19. Defendants Paul Alleyne and Cyril Gillman are each individuals who reside in Harris County. Defendants Paul Alleyne and Cyril Gillman have each been served and made an appearance in this case and their counsel is:

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20. Defendant Dharmesh Patel is an individual who resides in Harris County. Defendant Dharmesh Patel has been served and made an appearance in this case and his counsel is:

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21. Defendant Setul Patel is an individual who resides in Harris County. Defendant Setul Patel has been served and made an appearance in this case and his counsel is:

Paul D. Flack
Texas State Bar No. 00786930

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22. On July 12, 2018 (the “**Petition Date**”), Neighbors Legacy Holdings, Inc. (the “**Debtor**”) filed a voluntary petition for relief under chapter 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Proceeding**”). The Bankruptcy Proceeding is pending as Bankruptcy Petition Number 18-33836 before the Honorable Chief Judge Marvin Isgur. Neighbors Legacy Holdings, Inc. filed its Suggestion of Bankruptcy in state court on July 17, 2018, thereby staying the lawsuit.

Basis for Removal

23. Removal of the Lawsuit is proper under 28 U.S.C. § 1452(a), which states as follows:

A party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit’s police or regulatory power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title.

28 U.S.C. § 1452.

24. Pursuant to 28 U.S.C. § 1334(b) “a district court shall have original but not exclusive jurisdiction of all civil proceedings arising under title 11, or arising in or related to cases under title 11.” 28 U.S.C. § 1334(b). Because the Lawsuit is “related to” the Bankruptcy Proceeding, this Court has subject-matter jurisdiction.

25. Through the Lawsuit, Plaintiff is seeking, *inter alia*, a judgment against the Debtor and other Defendants that occurred prior to the Petition Date.

26. Prior to the Petition Date, Plaintiff claims that the Debtor and the other Defendants improperly used property of two separate Series owned, in part, by Plaintiff. Plaintiff claims that Debtor made intercompany advances to other Debtor entities and seeks to have such advances unwound.

27. Because the Lawsuit intimately involves claims that Plaintiff may have against the Debtor and its estate, the Lawsuit constitutes a core proceeding under 28 U.S.C. § 157(b)(2)(A), (B) and (O). The Lawsuit is a core proceeding, and the Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1334(b).

28. Further, pursuant to Federal Rule of Bankruptcy Procedure (the “**Bankruptcy Rules**”) 9027(a)(1), to the extent the Lawsuit may be deemed “non-core,” the Doctors consent to entry of final orders or judgment by the Court.

29. When a claim or cause of action is pending in a case at the time a case is filed under the Bankruptcy Code, Bankruptcy Rule 9027(a)(2) permits the filing of a notice of removal “within the longest of (A) 90 days after the order for relief in the case under the Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under §362 of the Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.” *See* Fed. R. Bankr. P. 9027(a)(2). Debtor filed its case under the Code on July 12, 2018 and filed its suggestion of stay in the state court proceeding on July 17, 2018, and this Notice is, at a minimum, filed within ninety (90) days of the filing of the bankruptcy case, therefore, the Notice is timely.

30. Pursuant to Bankruptcy Rule 9027(a) and Bankruptcy Local Rule 9027-1, the Doctors have attached hereto as **Exhibit A** copies of all pleadings that have been filed in the Lawsuit.

DATED: September 19, 2018

Respectfully submitted,

FOLEY GARDERE
Foley & Lardner LLP

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CERTIFICATE OF SERVICE

I hereby certify that, on September 19, 2018, the foregoing document was served via email to counsel listed below as follows:

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s/James G. Munisteri

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